

DAILY MARKETS OVERVIEW

28 FEBRUARY 2019

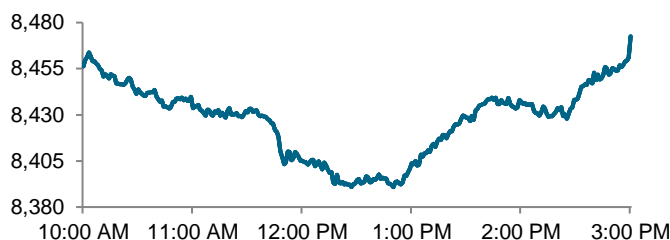
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	8,473	0.2	-0.9	8.3	18.5
Saudi (NOMU)	3,597	2.4	4.6	42.7	10.4
Energy	4,562	0.4	-0.2	-5.9	24.9
Materials	5,624	0.4	-0.5	7.1	18.0
Capital Goods	3,852	-0.7	-1.4	-1.2	22.3
Com. & Prof. Svc	4,277	-0.4	-0.1	3.4	18.2
Transportation	3,615	0.1	0.0	4.0	19.8
Cons. Durables & Apparel	3,644	-0.1	-0.4	-0.5	NA
Consumer Services	3,270	2.6	1.3	10.9	NA
Media	10,258	-0.3	-0.2	0.8	NA
Retailing	6,608	0.4	0.0	-3.7	32.1
Food & Staples Retailing	5,628	0.0	-0.6	-5.3	22.9
Food & Beverages	4,344	-1.0	-1.7	11.7	NA
Health Care Equipment	3,786	0.8	0.5	0.8	21.5
Pharma, Biotech & Life Science	3,549	0.2	-3.4	-8.5	24.7
Banks	8,075	0.0	-1.6	11.9	14.0
Diversified Financials	3,597	0.0	-0.7	3.4	NA
Insurance	4,241	-0.1	-0.5	1.6	NA
Telecommunication	5,986	1.0	1.2	10.7	18.4
Utilities	3,684	0.2	-0.6	9.3	36.8
REITs	3,614	0.1	-0.2	-0.2	NA
Real Estate	3,316	0.2	0.3	2.8	38.6

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Leejam Sports Co.	62.10	6.2%	42
Etihad Etisalat Co.	19.02	5.1%	192
Altayyar Travel Group	23.92	3.6%	73
Mobile Telecommunications Co. Saudi Arabia	9.57	3.4%	101
Mouwasat Medical Services Co.	77.70	2.2%	3

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	Vs. Consensus
Saudi Airlines Catering Company	27-Feb	4Q18	76.2	-22.9	0.93	NA
Leejam Sports Co.	27-Feb	4Q18	53.9	11.1	1.03	NA
Saudi Company for Hardware	27-Feb	4Q18	38.5	-6.1	1.07	NA
Al Tayyar Travel Group Holding Co	27-Feb	4Q18	20.6	140.8	0.10	NA
Saudi Industrial Development Co	27-Feb	4Q18	-20.3	NM	-0.51	NA

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of February 28, 2019

(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.2% higher at 8,473, while NOMU ended 2.4% higher at 3,597 on Wednesday. TASI traded value totaled SAR 2.2bn and averaged SAR 2.5bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 33% of the daily traded value.
- Banks ended flat while Materials gained 0.4%. Telecom closed 1.0% higher. Consumer Services (up 2.6%) was the best sector performer. Among stocks, Leejam Sports Co. (1830/LEEJAM AB), Etihad Etisalat Co. (7020/EEC AB), and Altayyar Travel Group (1810/ALTAYYAR AB) led the gainers.
- Standard & Poor's revealed that KSA's real economic growth would remain at about 2.0% in 2019, similar to the growth achieved in 2018, with the government's expansionary budget compensating for oil production cuts and weaker consumption due to the decline in the non-Saudi labor force. (Source: Argaam)
- The Minister of Communications and Information Technology revealed that the 5G commercial roll-out in KSA is expected to generate more than USD 8.0bn (SAR 30.0bn) in revenue in the telecom market by 2030. (Source: Argaam)
- Saudi Aramco's CEO revealed that KSA is planning to export 3.0bn cubic feet per day of gas before 2030, from conventional and non-conventional resources, adding that future gas export options would include pipelined gas and liquefied natural gas (LNG) and that Aramco solely would develop the country's gas assets. (Source: Argaam)
- Rabigh Refining and Petrochemical Co. (2380/PETRO AB) signed a SAR 300mn (USD 79.9mn) contract with Jacobs Engineering Group to provide engineering and designing services as well as project management for fuel oil development project. (Source: Argaam)
- The Red Sea Development Company (TRSDC) has commenced construction of the Base Camp of its mega luxury tourism development, The Red Sea Project. (Source: Trade Arabia)
- Leejam Sports Co. (1830/LEEJAM AB) BoD recommended a cash dividend of SAR 0.538 per share for FY18, implying a full-year yield of 0.9%. (Source: Argaam)
- Saudi Airlines Catering Co. (6004/CATERING AB) BoD recommended a cash dividend of SAR 1.3 per share for 4Q18, implying a full-year yield of 1.5%. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Cable Co.	46.10	-4.6%	75
Saudi Industrial Development Co.	8.39	-2.0%	4
Allied Cooperative Insurance Group	21.70	-1.8%	4
Saudi Steel Pipe Co.	24.66	-1.8%	16
National Petrochemical Co.	26.85	-1.7%	3

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Etihad Etisalat Co.	19.02	5.1%	192
Al Rajhi Bank	100.20	0.3%	157
Saudi Basic Industries Corp.	122.00	0.2%	134
Alinma Bank	24.00	-0.1%	121
Dar Alarkan Real Estate Development Co.	10.66	0.6%	108

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,676	-0.3	1.6	5.8	8.5
Abu Dhabi (ADX)	5,152	0.2	1.1	4.8	14.4
Kuwait (KSE)	5,251	0.0	0.0	1.3	17.2
Qatar (QE)	10,136	-1.2	-0.5	-1.6	14.2
Oman (MSM)	4,112	0.6	1.4	-4.9	8.5
Bahrain (BSE)	1,419	0.3	1.0	6.1	9.1
DJMENA Index	587	0.0	0.4	5.6	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,792	-0.1	0.0	11.4	18.4
US (NASDAQ 100)	7,555	0.1	0.4	13.9	21.3
UK (FTSE 100)	7,107	-0.6	-1.0	5.6	15.5
Germany (DAX)	11,487	-0.5	0.3	8.8	14.3
France (CAC 40)	5,225	-0.3	0.2	10.5	17.6
Russia (MICEX)	2,491	-0.1	0.1	5.1	5.3
Japan (Nikkei)	21,557	0.5	0.6	7.7	15.9
Hong Kong (HSI)	28,757	-0.1	-0.2	11.3	10.9
South Korea (KOSPI)	2,235	0.4	0.2	9.5	10.8
China (SHCOMP)	2,954	0.4	5.3	18.4	13.9
India (NIFTY)	10,807	-0.3	0.1	-0.5	24.3
Brazil (IBOV)	97,307	-0.3	-0.6	10.7	20.4
Turkey (BIST 100)	1,04,141	-0.9	0.9	14.1	7.2
Egypt (EGX30)	14,772	-0.8	-2.5	13.3	39.4
MSCI Emerging Markets	1,061	-0.3	0.2	9.9	12.8
MSCI World	2,092	0.0	0.2	11.1	17.2

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	66.4	1.8	-1.1	23.4	-0.4
Natural Gas (\$/mmbtu)	2.8	0.1	3.0	-4.8	5.1
Gold (\$/oz)	1,320	-0.7	-0.6	2.9	0.1
Silver (\$/oz)	15.7	-1.2	-1.1	1.6	-4.2
Platinum (\$/oz)	869	0.9	3.1	9.3	-11.5
Copper (\$/t)	6,546	0.4	0.4	10.0	-6.3
Zinc (\$/t)	2,776	0.4	1.2	10.2	-21.1
Lead (\$/mt)	2,107	2.1	2.3	4.9	-18.3
Wheat (\$/bu)	467	-0.3	-5.1	-7.3	-14.9
Corn (\$/bu)	374	-0.6	-2.8	-0.3	-9.2
Sugar (\$/lb)	13.0	0.9	-2.5	7.8	-8.9

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.63	0.00	-0.18	0.00
Saudi Arabia	2.91	0.00	-0.06	0.28
UAE	2.68	-0.20	-0.16	0.05
Kuwait	2.63	0.00	0.31	0.00
Qatar	2.85	-0.04	-0.06	0.22
Bahrain	3.90	0.00	-0.05	1.27

Source: Reuters

NOTES: (1) Prices updated as of February 28, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended mixed on Wednesday. S&P 500 declined 0.1% while NASDAQ gained 0.1%. Dow Jones Industrial closed 0.3% lower. In Europe, UK declined 0.6%, while Germany and France ended 0.5% and 0.3% lower, respectively.
- Asian markets are trading mixed on Thursday. China is down 0.4%. Japan and South Korea are down 0.4% and 0.5%, respectively. Hong Kong and India are trading 0.1% and 0.2% higher, respectively.
- GCC markets ended mixed on Wednesday. Dubai declined 0.3% while Abu Dhabi gained 0.2%. Kuwait ended flat while Qatar closed 1.2% lower. Oman and Bahrain ended 0.6% and 0.3% higher, respectively.
- According to the US EIA Petroleum status report, crude oil inventories were down 8.7mn barrels (prior: 3.7mn barrels) for the week ended February 22. (Source: Econoday)
- Petrol prices in the UAE are set to increase in March, according to an announcement by the UAE Fuel Price Committee. Super 98 will now cost AED 2.04 per litre from AED 1.95 in February while Special 95 will rise from AED 1.84 to AED 1.92 per litre. Diesel price to increase to AED 2.41 from AED 2.28. (Source: Arabian Business)
- CEO of Mumtalakat Holding, Bahrain's sovereign wealth fund, said it remains open to an initial public offering of McLaren Group. (Source: Arabian Business)
- The Dubai Financial Market (DFM) signed an agreement with the Rental Disputes Center, the judicial arm of the Dubai Land Department (DLD) to reinforce co-operation between both sides. (Source: Trade Arabia)
- Abu Dhabi National Oil Company (Adnoc) announced that it is building the world's largest single underground project ever awarded for oil storage, with a capacity of 42 million barrels of crude oil, in Fujairah. (Source: Arabian Business)
- Aldar Investment Properties, has agreed to acquire the full ownership of Etihad Plaza and Etihad Airways Centre in an AED 1.2bn (USD 327mn) deal with Abu Dhabi national carrier Etihad Airways. As part of the deal, Etihad will take 100% ownership of Etihad Airways headquarters. Previously these 3 properties were held in a JV between the 2 companies. (Source: Trade Arabia)
- Abu Dhabi-based Mubadala Investment Company has agreed to purchase USD 130mn (AED 511mn) in convertible notes from Equinox Gold (EQX CN). Proceeds will be used to refinance a portion of existing corporate and project debt, for general and working capital purposes and toward construction of Phase 1 at Castle Mountain. (Source: Trade Arabia)
- Majid Al Futtaim revealed work was progressing as per schedule on its first shopping mall in Abu Dhabi, My City Centre Masdar, and on track for opening in 2Q19. My City Centre Masdar will feature more than 70 stores across 18,500 sqm of gross leasable area. (Source: Trade Arabia)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended March 1 (prior: -8.7mn barrels) will be announced on March 6. (Source: Econoday)
- US jobless claims for the week ended February 23 (prior: 216K) will be announced today. (Source: Econoday)
- US GDP for 4Q18 (prior: 3.4% Q/Q; consensus: 2.4% Q/Q) will be announced today. (Source: Econoday)



Contacts

RESEARCH & ADVISORY

Research&Advisory@FransiCapital.com.sa

SAUDI FRANSI CAPITAL

Call Centre

800-125-9999

Website

www.sfc.sa

SAUDI FRANSI CAPITAL (CLOSED JOINT STOCK COMPANY OWNED BY BANQUE SAUDI FRANSI)

Licensed by the Capital Market Authority to conduct all securities business activities. license Number 11153-37

C.R. 1010231217 - Paid Up Capital 500,000,000 S.R.

Head Office: 8092 King Fahd Road - Riyadh 12313-3735 - Kingdom of Saudi Arabia

Mailing Address: P.O. Box 23454 - Riyadh 11426

Tel: +966 11 282 6666 - Fax: +966 11 282 6667

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